

12-10-1999

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK



101218722

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

25605-121

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- ☒ New
- ☐ Resubmission (Non-Recordation)
Document ID #
- ☐ Correction of PTO Error
Reel # Frame #
- ☐ Corrective Document
Reel # Frame #

Conveyance Type

- ☐ Assignment ☐ License
- ☒ Security Agreement ☐ Nunc Pro Tunc Assignment
- ☐ Merger Effective Date
Month Day Year
- ☐ Change of Name
- ☐ Other

Conveying Party

- ☐ Mark if additional names of conveying parties attached
- Name Execution Date
Month Day Year
- 10 21 99

Formerly

- ☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ Corporation ☐ Association
- ☒ Other Limited Liability Company
- ☒ Citizenship/State of Incorporation/Organization Delaware

Receiving Party

- ☐ Mark if additional names of receiving parties attached

Name Bank of America, N.A.

DBA/AKA/TA

Composed of

Address (line 1) 231 S. LaSalle Street

Address (line 2)

Address (line 3) Chicago Illinois 60697
City State/Country Zip Code

- ☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- ☒ Corporation ☐ Association
- ☐ Other
- ☒ Citizenship/State of Incorporation/Organization Delaware

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01 FC:481 40.00 CH
02 FC:482 375.00 CH

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Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

☐ Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed ☐

Deposit Account ☒

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes ☐

No ☒

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Matthew E. Leno

Name of Person Signing

Signature

Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

Conveying Party

Enter Additional Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date

Month Day Year

Name

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ Corporation ☐ Association

☐ Other

☐ Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

☐ Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

☐ Individual ☐ General Partnership ☐ Limited Partnership

☐ Corporation ☐ Association

☐ Other

☐ Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

Trademark Application Number(s) or Registration Number(s)

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

☐ Mark if additional numbers attached

Trademark Application Number(s)

Registration Number(s)

2151327	1130234	1310794

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement"), dated as of October 21, 1999 is made by **BUSH HOG, L.L.C.**, a Delaware limited liability company (the "Grantor") in favor of **BANK OF AMERICA, N.A.**, (formerly known as Bank of America National Trust and Savings Association) as agent (in such capacity, and together with its successors and assigns, the "Agent") for the ratable benefit of Banks and any Swap Provider (each as hereinafter defined).

RECITALS

A. Allied Products Corporation, a Delaware corporation ("Allied") owns 100% of the limited liability interest in the Grantor.

B. Allied is a party to that certain Second Amended and Restated Credit Agreement dated as of February 1, 1999 by and among the Grantor, the several financial institutions from time to time parties thereto (the "Banks"), and the Agent (as amended, restated, modified, renewed, supplemented or extended from time to time, the "Credit Agreement").

C. Pursuant to the Third Amendment and Waiver dated as of October 21, 1999 to the Credit Agreement (the "Third Amendment"), to induce the Banks to consent to the formation of the Grantor and to the contribution thereto by Allied of assets, Allied has agreed to cause the Grantor to enter into this Agreement and to grant or cause to be granted to the Agent the security interests hereinafter provided to secure the Liabilities (as hereinafter defined)..

D. It is in the best interest of the Grantor to execute this Agreement as the Grantor will derive substantial direct and indirect benefits from the extensions of credit made from time to time to Allied by the Banks pursuant to the Credit Agreement.

Accordingly, the parties hereto agree as follows:

SECTION 1 Definitions: Interpretation.

(a) Terms Defined in Credit Agreement. All capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Credit Agreement.

(b) Certain Defined Terms. As used in this Agreement, the following terms have the following meanings:

"Accounts" means any and all accounts of the Grantor, whether now existing or hereafter acquired or arising, and in any event includes all accounts receivable, contract rights, rights to payment and other obligations of any kind owed to the Grantor arising out of or in connection with the sale or lease of merchandise, goods or commodities or the rendering of services or arising from any other transaction, however evidenced, and whether or not earned by performance, all guaranties, indemnities and security with respect to the foregoing, and all other obligations owing to the Grantor, and all letters of credit relating thereto, in each case whether now existing or hereafter acquired or arising.

"Agent" has the meaning specified in the preamble hereof.

"Attorney Costs" means and includes all reasonable fees and disbursements of any law firm or other external counsel, the allocated cost of internal legal services and all disbursements of internal counsel

"Banks" has the meaning specified in recital A hereof.

"Bankruptcy Code" means the Federal Bankruptcy Reform Act of 1978 (11 U.S.C. §101, et seq.).

"Books" means all books, records and other written, electronic or other documentation in whatever form maintained now or hereafter by or for the Grantor in connection with the ownership of its assets or the conduct of its business or evidencing or containing information relating to the Collateral, including: (i) ledgers; (ii) records indicating, summarizing, or evidencing the Grantor's assets (including Inventory and Rights to Payment), business operations or financial condition; (iii) computer programs and software; (iv) computer discs, tapes, files, manuals, spreadsheets; (v) computer printouts and output of whatever kind; (vi) any other computer prepared or electronically stored, collected or reported information and equipment of any kind; and (vii) any and all other rights now or hereafter arising out of any contract or agreement between the Grantor and any service bureau, computer or data processing company or other Person charged with preparing or maintaining any of the Grantor's books or records or with credit reporting, including with regard to the Grantor's Accounts.

"Chattel Paper" means all writings of whatever sort which evidence a monetary obligation and a security interest in or lease of specific goods, whether now existing or hereafter arising.

"Collateral" has the meaning specified in Section 2 hereof.

"Collateral Documents" has the meaning assigned thereto in the Credit Agreement. "Collateral Documents" includes this Agreement.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, undertaking, contract, indenture, mortgage, deed of trust or other instrument, document or agreement to which such Person is a party or by which it or any of its property is bound.

"Credit Agreement" has the meaning specified in recital B hereof.

"Deposit Account" means any demand, time, savings, passbook or like account now or hereafter maintained by or for the benefit of the Grantor with a bank, savings and loan association, credit union or like organization (including each of the Banks) and all funds and amounts therein, whether or not restricted or designated for a particular purpose. "Deposit Account" includes, without limitation, all Lock-Box Accounts (as hereinafter defined).

"Documents" means any and all documents of title, bills of lading, dock warrants, dock receipts, warehouse receipts and other documents of the Grantor, whether or not negotiable, and includes all other documents which purport to be issued by a bailee or agent and purport to cover goods in any bailee's or agent's possession which are either identified or are fungible portions of an identified mass, including such documents of title made available to the Grantor for the purpose of ultimate sale or exchange of goods or for the purpose of loading, unloading, storing, shipping, transshipping, manufacturing, processing or otherwise dealing with goods in a manner preliminary to their sale or exchange, in each case whether now existing or hereafter acquired or arising.

"Equipment" means all now existing or hereafter acquired equipment of the Grantor in all of its forms, wherever located, and in any event includes any and all machinery, furniture, equipment, furnishings and fixtures in which the Grantor now or hereafter acquires any right, and all other goods and tangible personal property (other than Inventory), including tools, parts and supplies, automobiles, trucks, tractors and other vehicles, computer and other electronic data processing equipment and other office equipment, computer programs and related data processing software, and all additions, substitutions, replacements, parts, accessories, and accessions to and for the foregoing, now owned or hereafter acquired, and including any of the foregoing which are or are to become fixtures on real property.

"Event of Default" has the meaning specified in the Credit Agreement.

"Financing Statements" has the meaning specified in Section 3 hereof.

"General Intangibles" means all general intangibles of the Grantor, now existing or hereafter acquired or arising, and in any event includes: (i) all tax and other refunds, rebates or credits of every kind and nature to which the Grantor is now or hereafter may become entitled, (ii) all good will, choses in action and causes of action, whether legal or equitable, whether in contract or tort and however arising; (iii) all Intellectual Property Collateral; (iv) all uncertificated securities and interests in limited and general partnerships; (v) all rights of stoppage in transit, replevin and reclamation; (vi) all licenses, permits, consents, indulgences and rights of whatever kind issued in favor of or otherwise recognized as belonging to the Grantor by any Governmental Authority; and (vii) all indemnity agreements, guaranties, insurance policies and other contractual, equitable and legal rights of whatever kind or nature; in each case whether now existing or hereafter acquired or arising.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

"Grantor" has the meaning specified in the preamble hereof.

"Guaranty Agreement" means the Guaranty Agreement dated as of October 21, 1999 by the Grantor as the guarantor of Allied in favor of the agent, as same may be amended or modified from time to time.

"Indemnified Liabilities" has the meaning specified in subsection 15(a) hereof.

"Indemnified Person" has the meaning specified in subsection 15(a) hereof.

"Insolvency Default" means the occurrence of any Unmatured Event of Default under Section 12.1.4 of the Credit Agreement.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors; undertaken under U.S. federal, state or foreign law, including the Bankruptcy Code.

"Instruments" means any and all negotiable instruments, certificated securities and every other writing which evidences a right to the payment of money, in each case whether now existing or hereafter acquired.

"Intellectual Property Collateral" means the following properties and assets owned or held by the Grantor or in which the Grantor otherwise has any interest, now existing or hereafter acquired or arising:

(i) all patents and patent applications, domestic or foreign, all licenses relating to any of the foregoing and all income and royalties with respect to any licenses (including such patents, patent applications and patent licenses as described in Schedule 1), all rights to sue for past, present or future infringement thereof, all rights arising therefrom and pertaining thereto and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof;

(ii) all copyrights and applications for copyright, domestic or foreign, together with the underlying works of authorship (including titles), whether or not the underlying works of authorship have been published and whether said copyrights are statutory or arise under the common law, and all other rights and works of authorship, all rights, claims and demands in any way relating to any such copyrights or works, including royalties and rights to sue for past, present or future infringement, and all rights of renewal and extension of copyright;

(iii) all state (including common law), federal and foreign trademarks, service marks and trade names, and applications for registration of such trademarks, service marks and trade names, all licenses relating to any of the foregoing and all income and royalties with respect to any licenses (including such marks, names, applications and licenses as described in Schedule 1), whether registered or unregistered and wherever registered, all rights to sue for past, present or future infringement or unconsented use thereof, all rights arising therefrom and pertaining thereto and all reissues, extensions and renewals thereof;

(iv) all trade secrets, confidential information, customer lists, license rights, advertising materials, operating manuals, methods, processes, know-how, sales literature, drawings, specifications, blue prints, descriptions, inventions, name plates and catalogs; and

(v) the entire goodwill of or associated with the businesses now or hereafter conducted by the Grantor connected with and symbolized by any of the aforementioned properties and assets;

provided, however, that there shall be excluded from the term "Intellectual Property Collateral" (x) any "intent to use" trademark application to the extent that the grant of a security interest hereunder would render such application void and (y) any license which by its terms prohibits the assignment or the grant of a security interest by the Grantor as licensee thereunder and for which the Grantor has not obtained the requisite consent to such assignment or such grant of security interest, it being understood, however, that the Grantor shall use (and hereby agrees to use) its best efforts to obtain such consent and that, upon obtaining such consent, such license shall automatically constitute Intellectual Property Collateral hereunder.

"Inventory" means any and all of the Grantor's inventory in all of its forms, wherever located, whether now owned or hereafter acquired, and in any event includes all goods (including goods in transit) which are held for sale, lease or other disposition, including those held for display or demonstration or out on lease or consignment or to be furnished under a contract of service, or which are raw materials, work in process, finished goods or materials used or consumed in the Grantor's business, and the resulting product or mass, and all repossessed, returned, rejected, reclaimed and replevied goods, together with all parts, components, supplies, packing and other materials used or usable in connection with the manufacture, production, packing, shipping, advertising, selling or furnishing of such goods; and all other items hereafter acquired by the Grantor by way of substitution, replacement, return, repossession or otherwise, and all additions and accessions thereto, and any Document representing or relating to any of the foregoing at any time.

"Investment Property" has the meaning assigned thereto in the UCC (as hereinafter defined).

"Lender Party" means, as the context may require, any Bank (including any Bank in its capacity as Letter of Credit issuing Bank), any Bank or its Affiliate in its capacity as Swap Provider or the Agent and each of their respective successors, transferees and permitted assigns.

"Letter of Credit" has the meaning assigned thereto in the Credit Agreement.

"Liabilities" means (i) the Notes, (ii) all obligations (including reimbursement obligations) of Allied in respect of the Letters of Credit, (iii) all Secured Swap Obligations, (iv) all other obligations of Allied of every description which arise under the Credit Agreement, (v) all obligations of the Grantor under its Guaranty Agreement, and (vi) all obligations of Allied or the Grantor under this Agreement or any other Loan Documents, including, without limitation, all obligations of Allied or the Grantor in respect of principal, interest, fees, expenses or indemnities, in each case however created, arising or evidenced, whether direct or indirect,

absolute and contingent, liquidated or unliquidated, determined or undetermined, or now or hereafter existing, or due or to become due.

"Lien" means any security interest, mortgage, deed of trust, pledge, hypothecation, assignment, charge or deposit arrangement, encumbrance, lien (statutory or other) or preferential arrangement of any kind or nature whatsoever in respect of any property (including those created by, arising under or evidenced by any conditional sale or other title retention agreement, the interest of a lessor under a capital lease, any financing lease having substantially the same economic effect as any of the foregoing, or the filing of any financing statement naming the owner of the asset to which such lien relates as debtor, under the UCC or any comparable law) and any contingent or other agreement to provide any of the foregoing.

"Lock-Box" means a lock-box established pursuant to a Lock-Box Agreement.

"Lock-Box Account" means any and all of the accounts maintained from time to time by the Grantor with any bank or other financial institution.

"Lock-Box Agreements" means any and all lock-box agreements or similar arrangements of the Grantor in respect of the Lock-Box Accounts as the same may be amended or modified from time to time.

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the operations, properties, condition (financial or otherwise) or prospects of the Grantor or Allied; (b) a material impairment of the ability of Allied or Grantor, as applicable, to perform under the Credit Agreement or any other Loan Document (including this Agreement) and to avoid any Event of Default; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Grantor or Allied, as applicable, under the Credit Agreement or any other Loan Document (including this Agreement).

"Notes" has the meaning ascribed thereto in Section 2 of the Credit Agreement.

"Organizational Documents" means, for any Person, the certificate or articles of incorporation, the bylaws, any partnership agreement, operating agreement, or any other agreements or documents relating to the formation or operation of such Person, including any certificate of determination, instrument or book entry relating to the rights of preferred shareholders or members of such Person, any shareholder rights agreement, and all applicable resolutions of the board of directors (or any committee thereof) of such Person.

"Permitted Liens" means a lien created by this Agreement.

"Person" means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or Governmental Authority.

"Pledge Agreement (Deposit Accounts)" means the Pledge Agreement (Deposit Accounts) dated as of May 12, 1999 made by Allied in favor of the Agent, as the same may be amended or modified from time to time.

"Pledge Agreement" means the Pledge Agreement dated as of October 21, 1999, made by Allied in favor of the Agent, as the same may be amended or modified from time to time.

"Proceeds" means whatever is receivable or received from or upon the sale, lease, license, collection, use, exchange or other disposition, whether voluntary or involuntary, of any Collateral or other assets of the Grantor, including "proceeds" as defined at UCC Section 9-306, any and all proceeds of any insurance, indemnity, warranty or guaranty payable to or for the account of the Grantor from time to time with respect to any of the Collateral, any and all payments (in any form whatsoever) made or due and payable to the Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any Governmental Authority (or any Person acting under color of Governmental Authority), any and all other amounts from time to time paid or payable under or in connection with any of the Collateral or for or on account of any damage or injury to or conversion of any Collateral by any Person, any and all other tangible or intangible property received upon the sale or disposition of Collateral, and all proceeds of proceeds.

"Proceeds Account" has the meaning specified in subsection 10(c) hereof.

"Requirement of Law" means, as to any Person, any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or of a Governmental Authority, in each case applicable to or binding upon the Person or any of its property or to which the Person or any of its property is subject.

"Rights to Payment" means all Accounts, and any and all rights and claims to the payment or receipt of money or other forms of consideration of any kind in, to and under all Chattel Paper, Documents, General Intangibles, Instruments and Proceeds.

"Secured Swap Obligations" means all obligations and liabilities of the Grantor of any kind arising under all Swap Contracts, including obligations and liabilities arising in connection with or as a result of early termination of a Swap Contract (as hereinafter defined), whether or not occurring as a result of a default thereunder, absolute or contingent, due or to become due, now existing or hereafter created or incurred, liquidated or unliquidated, determined or undetermined.

"Swap Contract" means any agreement between the Grantor and any Swap Provider (as hereinafter defined), whether or not in writing, relating to any transaction that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond, note or bill option, interest rate option, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option or any other, similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and, unless the context otherwise clearly requires, any master agreement relating to or governing any or all of the foregoing, provided that "Swap Contract" includes any such agreement so long as the counterparty to such agreement is a Bank that is a party to the Credit Agreement or an Affiliate of a Bank that is a party to the Credit Agreement at the time such agreement is made with the Grantor.

"Swap Provider" means any Bank, or any Affiliate of any Bank, that is at the time of determination party to a Swap Contract with the Grantor.

"UCC" means the Uniform Commercial Code as the same may, from time to time, be in effect in the State of Illinois; **provided, however**, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of the security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Illinois, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions

"UCC Financing Statement" means a Financing Statement or similar filing naming the owner of an asset subject to a Lien as debtor, under the UCC or other applicable law.

(c) **Terms Defined in UCC.** Where applicable and except as otherwise defined herein, terms used in this Agreement shall have the meanings assigned to them in the UCC.

(d) **Interpretative Provisions.**

(i) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(ii) The words "hereof", "herein", "hereunder" and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement; and subsection, Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(iii) The term "documents" includes any and all instruments, documents, agreements, certificates, indentures, notices and other writings, however evidenced.

(iv) The term "including" is not limiting and means "including without limitation."

(v) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding", and the word "through" means "to and including."

(vi) Unless otherwise expressly provided herein, (A) references to agreements (including this Agreement) and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of any Loan Document, and (B) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting the statute or regulation.

(vii) The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement.

(viii) This Agreement and other Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters. All such limitations, tests and measurements are cumulative and shall each be performed in accordance with their terms. Unless otherwise expressly provided, any reference to any action of the Agent or the Banks by way of consent, approval or waiver shall be deemed modified by the phrase "in its/their sole discretion."

(ix) This Agreement and the other Loan Documents are the result of negotiations among and have been reviewed by the counsel to the Agent and the counsel to the Grantor, and are the products of all parties. Accordingly, they shall not be construed against the Banks or the Agent merely because of the Agent's or Banks' involvement in their preparation.

SECTION 2 Security Interest.

(a) Grant of Security Interest. As security for the payment and performance of the Liabilities, the Grantor hereby pledges, assigns, transfers, hypothecates and sets over to the Agent for its benefit and for the ratable benefit of the other Lender Parties, and hereby grants to the Agent for its benefit and for the ratable benefit of the other Lender Parties, a security interest in, all of the Grantor's right, title and interest in, to and under the following property, wherever located and whether now existing or owned or hereafter acquired or arising (collectively, the "Collateral"): (i) all Accounts; (ii) all Chattel Paper; (iii) all Deposit Accounts; (iv) all Documents; (v) all Equipment; (vi) all General Intangibles; (vii) all Instruments; (viii) all Inventory; (ix) all Books; (x) all Investment Property; and (xi) all products and Proceeds of any and all of the foregoing.

(b) Grantor Remains Liable. Anything herein to the contrary notwithstanding, (i) the Grantor shall remain liable under any contracts, agreements and other documents included in the Collateral, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (ii) the exercise by the Agent of any of the rights hereunder shall not release the Grantor from any of its duties or obligations under such contracts, agreements and other documents included in the Collateral, and (iii) neither the Agent nor any other Lender Party shall have any obligation or liability under any contracts, agreements and other documents included in the Collateral by reason of this Agreement, nor shall the Agent or any other Lender Party be obligated to perform any of the obligations or duties of the Grantor thereunder or to take any action to collect or enforce any such contract, agreement or other document included in the Collateral hereunder.

(c) Continuing Security Interest. The Grantor agrees that this Agreement shall create a continuing security interest in the Collateral which shall remain in effect until terminated in accordance with Section 25 hereof.

SECTION 3 Financing Statements, Etc. The Grantor shall execute and deliver to the Agent concurrently with the execution of this Agreement, and at any time and from time to time thereafter, upon the request of Agent, all financing statements, continuation financing statements, termination statements, security agreements, chattel mortgages, assignments, patent, copyright and trademark collateral assignments, fixture filings, warehouse receipts, documents of title, affidavits, reports, notices, schedules of account, letters of authority and all other documents and instruments, in form reasonably satisfactory to the Agent (the "Financing Statements"), and

take all other action, as the Agent may reasonably request, to perfect and continue perfected, maintain the priority of or provide notice of the Agent's security interest in the Collateral and to accomplish the purposes of this Agreement.

SECTION 4 Representations and Warranties. The Grantor represents and warrants to the Agent that:

(a) **Location of Chief Executive Office and Collateral.** The Grantor's chief executive office and principal place of business is located at the address set forth in Schedule 1, and all other locations where the Grantor conducts business or Collateral is kept are set forth in Schedule 1.

(b) **Locations of Books.** All locations where Books pertaining to the Rights to Payment are kept, including all equipment necessary for accessing such Books and the names and addresses of all service bureaus, computer or data processing companies and other Persons keeping any Books or collecting Rights to Payment for the Grantor, are set forth in Schedule 1.

(c) **Trade Names.** All trade names under which the Grantor presently conducts its business operations are set forth in Schedule 1.

(d) **Ownership of Collateral.** The Grantor is, and, except as permitted by subsection 5(i) hereof, will continue to be, the sole and complete owner of the Collateral (or, in the case of after-acquired Collateral, at the time the Grantor acquires rights in such Collateral, will be the sole and complete owner thereof), free from any Lien other than Permitted Liens.

(e) **Enforceability; Priority of Security Interest.** (i) This Agreement creates a security interest which is enforceable against the Collateral in which the Grantor now has rights and will create a security interest which is enforceable against the Collateral in which the Grantor hereafter acquires rights at the time the Grantor acquires any such rights; and (ii) the Agent has a perfected and (subject to any pre-existing perfected Permitted Liens) first priority security interest in the Collateral in which the Grantor now has rights, and will have a perfected and (subject to any pre-existing perfected Permitted Liens) first priority security interest in the Collateral in which the Grantor hereafter acquires rights at the time the Grantor acquires any such rights, in each case for the Agent's own benefit and for the ratable benefit of the Lender Parties, and in each case securing the payment and performance of the Liabilities.

(f) **Other Financing Statements.** Other than (i) UCC Financing Statements in favor of the Agent as secured party in its capacity as Agent for the Lender Parties under the Credit Agreement and any other Loan Documents, and (ii) UCC Financing Statements evidencing Permitted Liens, no effective UCC Financing Statement naming the Grantor as debtor, assignor, grantor, mortgagor, pledgor or the like and covering all or any part of the Collateral is on file in any filing or recording office in any jurisdiction.

(g) **Rights to Payment.** (i) The Rights to Payment (in the aggregate) represent valid, binding and enforceable obligations of the account debtors or other Persons obligated thereon, representing undisputed, bona fide transactions completed in accordance with the terms and provisions contained in any documents related thereto, and are and will be genuine, free from Liens (other than Permitted Liens), and not subject to any adverse claims, counterclaims,

setoffs, defaults, disputes, defenses, discounts, retainages, holdbacks or conditions precedent of any kind of character, except to the extent reflected by the Grantor's reserves for uncollectible Rights to Payment or to the extent, if any, that such account debtors or other Persons may be entitled to normal and ordinary course trade discounts, returns, adjustments and allowances in accordance with subsection 5(m) hereof, or as otherwise disclosed to the Agent in writing;

(ii) to the Grantor's knowledge, all account debtors and other obligors on the Rights to Payment are solvent and generally paying their debts as they come due except to the extent that the Grantor has established adequate reserves therefor in accordance with GAAP;

(iii) to the Grantor's knowledge, all Rights to Payment comply in all material respects with all applicable laws concerning form, content and manner of preparation and execution, including where applicable any federal or state consumer credit laws;

(iv) all statements made, all unpaid balances and all other information in the Books and other documentation relating to the Rights to Payment in the aggregate are true and correct in all material respects; and

(v) the Grantor has no knowledge of any fact or circumstance which would materially impair the validity or collectibility of the Rights to Payment in the aggregate.

(h) Inventory. No Inventory is stored with any bailee, warehouseman or similar Person or on any premises leased to the Grantor, nor has any Inventory been consigned to the Grantor or consigned by the Grantor to any Person or is held by the Grantor for any Person under any "bill and hold" or other arrangement, except as set forth in Schedule 1.

(i) Intellectual Property. (i) Except as set forth in Schedule 1, the Grantor (directly or through any Subsidiary) does not own, possess or use under any licensing arrangement any patents, copyrights, trademarks, service marks or trade names, nor is there currently pending before any Governmental Authority any application for registration of any patent, copyright, trademark, service mark or trade name;

(ii) all patents, copyrights, trademarks, service marks and trade names are subsisting and none have been adjudged invalid or unenforceable in whole or in part;

(iii) all maintenance fees required to be paid on account of any patents have been timely paid for maintaining such patents in force, and, to the Grantor's knowledge, each of the patents is valid and enforceable and the Grantor has notified the Agent in writing of all material prior art (including public uses and sales) of which it is aware;

(iv) to the Grantor's knowledge after due inquiry, no material infringement or unauthorized use presently is being made of any Intellectual Property Collateral by any Person;

(v) the Grantor is the sole and exclusive owner of the Intellectual Property Collateral and the past, present and contemplated future use of such Intellectual Property Collateral by the Grantor has not, does not and will not infringe or violate any right, privilege or license agreement of or with any other Person; and

(vi) the Grantor owns, has material rights under, is a party to, or an assignee of a party to all material licenses, patents, patent applications, copyrights, service marks, trademarks, trademark applications, trade names and all other Intellectual Property Collateral necessary to continue to conduct its business as heretofore conducted.

(j) Equipment. (i) None of the Equipment or other Collateral is affixed to real property, except Collateral with respect to which the Grantor has supplied the Agent with all information and documentation necessary to make all fixture filings required to perfect and protect the priority of the Agent's security interest in all such Collateral which may be fixtures as against all Persons having an interest in the premises to which such property may be affixed; and (ii) none of the Equipment is leased from or to any Person, except as set forth in Schedule 1.

(k) Deposit Accounts. The names and addresses of all financial institutions at which the Grantor maintains its Deposit Accounts, and the account numbers and account names of such Deposit Accounts, are set forth in Schedule 1.

(l) Compliance with Federal Fair Labor Standards Act. To the knowledge of the Grantor, all Collateral has been and will be produced in compliance with the Federal Fair Labor Standards Act.

(m) Corporate Existence and Power. The Grantor (i) is a limited liability company duly formed, validly existing and in good standing under the laws of Delaware; (ii) has the power and authority and all governmental licenses, authorizations, consents and approvals to own its assets, carry on its business and to execute, deliver, and perform its obligations under this Agreement and any other Loan Document to which it is a party; (iii) is duly qualified as a foreign corporation and is licensed and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification or license; (iv) is in compliance with all Requirements of Law; except, in each case referred to in clause (iv), to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(n) Authorization: No Contravention. The execution, delivery and performance by the Grantor of this Agreement and each other Loan Document to which it is a party, have been duly authorized by all necessary action, and do not and will not: (i) contravene the terms of any of the Grantor's Organizational Documents; (ii) conflict with or result in any breach or contravention of, or the creation of any Lien under, any document evidencing any Contractual Obligation to which the Grantor is a party or any order, injunction, writ or decree of any Governmental Authority to which the Grantor or its property is subject other than Liens in favor of the Agent pursuant to the Collateral Documents; or (iii) violate any Requirement of Law.

(o) Governmental Authorization. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority is necessary or required in connection with the execution, delivery or performance by, or enforcement against, the Grantor of this Agreement or any other Loan Document to which it is a party.

(p) Subsidiaries and Joint Ventures. The Grantor does not have any Subsidiaries or joint ventures.

SECTION 5 Covenants. So long as any of the Liabilities remain unsatisfied or any Bank shall have any Commitment or any Letter of Credit shall be outstanding or any Swap Contract shall be in effect, the Grantor agrees that:

(a) **Defense of Collateral.** The Grantor will appear in and defend any action, suit or proceeding which may affect to a material extent its title to, or right or interest in, or the Agent's right to or interest in, the Collateral.

(b) **Preservation of Collateral.** The Grantor will do and perform all reasonable acts that may be necessary and appropriate to maintain, preserve and protect the Collateral.

(c) **Compliance with Laws, Etc.** The Grantor will comply in all material respects with all Requirements of Law, and will comply with all policies of insurance, relating in any material way to the possession, operation, maintenance and control of the Collateral.

(d) **Location of Books and Chief Executive Office.** The Grantor will, subject to compliance with clause (ii) immediately following: (i) keep all Books pertaining to the Rights to Payment at the locations identified Schedule 1; and (ii) give at least 30 days' prior written notice to the Agent of (A) any changes in any such location where Books pertaining to the Rights to Payment are kept, including any change of name or address of any service bureau, computer or data processing company or other Person preparing or maintaining any Books or collecting Rights to Payment for the Grantor and (B) any changes in the location of the Grantor's chief executive office or principal place of business.

(e) **Location of Collateral.** The Grantor will: (i) keep the Collateral at the locations set forth in Schedule 1 and not remove the Collateral from such locations (other than disposals of Collateral permitted by subsection 5(i) below) except upon at least 30 days' prior written notice of any removal to the Agent; (ii) not permit the aggregate value of Inventory located in Canada to exceed U.S. \$250,000; and (iii) give the Agent at least 30 days' prior written notice of any change in the locations set forth in Schedule 1.

(f) **Change in Name, Identity or Structure.** The Grantor will give at least 30 days' prior written notice of (i) any change in its name, (ii) any changes in, additions to or other modifications of its trade names set forth in Schedule 1, and (iii) any changes in its identity or structure in any manner which might make any Financing Statement filed hereunder incorrect or misleading.

(g) **Maintenance of Records.** The Grantor will keep separate, accurate and complete Books with respect to the Collateral, reasonably disclosing the Agent's security interest hereunder to the extent necessary or desirable under the UCC and other applicable law to maintain and enhance the Agent's security interests hereunder.

(h) **Invoicing of Sales.** The Grantor will invoice all of its sales upon forms customary in the industry and to maintain proof of delivery and customer acceptance of goods.

(i) **Disposition of Collateral.** The Grantor will not surrender or lose possession of (other than to the Agent), sell, lease, rent, or otherwise dispose of or transfer any of the Collateral

or any right or interest therein, except the disposition of Inventory in the ordinary course of business.

(j) Liens. Other than Permitted Liens, the Grantor will keep the Collateral free of all Liens and security interests of any kind.

(k) Expenses. The Grantor will pay all expenses of protecting, storing, warehousing, insuring, handling and shipping the Collateral.

(l) Leased Premises. At the Agent's request, the Grantor will obtain from each Person from whom the Grantor leases any premises or from whom the Grantor utilizes warehouse space or who acts as bailee for, or in a similar capacity with respect to, the Grantor, at a location at which any Collateral is at any time present such subordination, waiver, consent and estoppel agreements as the Agent may reasonably require, in form and substance reasonably satisfactory to the Agent

(m) Rights to Payment. The Grantor will:

(i) with such frequency as the Agent may reasonably require (but, absent a continuing Event of Default or Insolvency Default, no more frequently than once per month in the case of clauses (A) and (B) below) furnish to the Agent (A) master customer listings, including all names and addresses, together with copies or originals (as requested by the Agent) of documents, customer statements, repayment histories and present status reports relating to the Accounts; (B) accurate records and summaries of Accounts, including detailed agings specifying the name, face value and date of each invoice, and listings of Accounts that are disputed or have been cancelled; and (C) such other matters and information relating to the Accounts as the Agent shall from time to time reasonably request;

(ii) give only normal discounts, allowances and credits as to Accounts and other Rights to Payment, in the ordinary course of business, according to normal trade practices utilized by the Grantor in the past, and enforce all Accounts and other Rights to Payment in accordance with their terms (except to the extent necessary to enhance recovery or collection) and take all such action to such end as may from time to time be reasonably requested by the Agent, except that the Grantor may grant a reasonable extension of the time for payment;

(iii) if any discount, allowance, credit, extension of time for payment, agreement to make a rebate or otherwise to reduce the amount owing on, or compromise or settle, an Account or other Right to Payment exists or occurs, or if, to the knowledge of the Grantor, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to an Account or other Right to Payment, disclose such fact fully in the Books relating to such Account or other Right to Payment;

(iv) if any Accounts arise from contracts with the United States of America or any department, agency or instrumentality thereof, immediately notify the Agent thereof and execute any documents and instruments and take any other steps requested by the Agent in order that all monies due and to become due thereunder shall be assigned to the Agent and notice thereof given to the federal authorities under the Federal Assignment of Claims Act;

(v) in accordance with its sound business judgment perform and comply in all material respects with its obligations in respect of the Accounts and other Rights to Payment;

(vi) (A) maintain in effect all Lock-Box Agreements and Lock-Box Accounts; (B) direct and continue to direct that all accounts debtors and other obligors on the Rights to Payment remit all payments directly to a Lock-Box; and (C) to the extent that, notwithstanding such directions, the Grantor receives any such payment, promptly, but in any event within two Business Days, deposit (in like kind) such payment into a Lock-Box or Deposit Account.

(vii) upon the reasonable request of the Agent following an Event of Default or Insolvency Default, at any time, (A) notify all or any designated portion of the account debtors and other obligors on the Rights to Payment of the security interest hereunder, and (B) notify the account debtors and other obligors on the Rights to Payment or any designated portion thereof that payment shall be made directly to the Agent or to such other Person or location as the Agent shall specify; and

(n) Documents, Etc. Upon the request of the Agent, the Grantor will (i) immediately deliver to the Agent, or an agent designated by it, appropriately endorsed or accompanied by appropriate instruments of transfer or assignment, all Documents, Instruments and Chattel Paper, and all other Rights to Payment at any time evidenced by promissory notes, trade acceptances or other instruments, and (ii) mark all Documents and Chattel Paper with such legends as the Agent shall reasonably specify.

(o) Inventory. The Grantor will: (i) at such times as the Agent shall reasonably request, prepare and deliver to the Agent a report of all Inventory, in form and substance satisfactory to the Agent; (ii) upon the reasonable request of the Agent, take a physical listing of the Inventory and promptly deliver a copy of such physical listing to the Agent; (iii) not store any Inventory with a bailee, warehouseman or similar Person or on premises leased to the Grantor, except for Inventory the aggregate value of which does not exceed \$3,800,000 for all such Inventory so stored; and (iv) not dispose of any Inventory on a bill-and-hold, guaranteed sale, sale and return, sale on approval, consignment or similar basis, nor acquire any Inventory from any Person on any such basis, without in each case giving the Agent at least 30 days' prior written notice thereof.

(p) Equipment. The Grantor will, upon the Agent's request, deliver to the Agent a report of Equipment in the aggregate, in form and substance reasonably satisfactory to the Agent.

(q) Intellectual Property Collateral. The Grantor will: (i) not enter into any agreements or transactions (including any license or royalty agreement) pertaining to any Intellectual Property Collateral except to the extent necessary for the conduct of Grantor's business in the ordinary course; (ii) not allow or suffer any Intellectual Property Collateral to become abandoned, nor any registration thereof to be terminated, forfeited, expired or dedicated to the public, except to the extent that in the ordinary course of business such Intellectual Property Collateral has ceased to have material value; (iii) promptly give the Agent notice of any rights the Grantor may obtain to any new patentable inventions, copyrightable works or other

new Intellectual Property Collateral, prior to the filing of any application for registration thereon; and (iv) diligently prosecute all applications for patents, copyrights and trademarks, and file and prosecute any and all continuations, continuations-in-part, applications for reissue, applications for certificate of correction and like matters as shall be reasonable and appropriate in accordance with prudent business practice, and promptly and timely pay any and all maintenance, license, registration and other fees, taxes and expenses incurred in connection with any Intellectual Property Collateral.

(r) Notices, Reports and Information. The Grantor will (i) notify the Agent of any material claim made or asserted against the Collateral or any portion thereof by any Person and of any change in the composition of the Collateral or other event which could materially adversely affect the value of the Collateral or the Agent's Lien thereon; (ii) furnish to the Agent such statements and schedules further identifying and describing the Collateral and such other reports and other information in connection with the Collateral as the Agent may reasonably request, all in reasonable detail; and (iii) upon request of the Agent make such demands and requests for information and reports as the Grantor is entitled to make in respect of the Collateral.

(s) Subsidiaries. The Grantor shall not create or permit to exist any Subsidiary.

(t) Deposit Accounts. The Grantor will not permit to exist any Deposit Accounts except for Deposit Accounts which are subject to the Lien of the Pledge Agreement (Deposit Accounts).

SECTION 6 Collection of Rights to Payment. Until the Agent exercises its rights hereunder to collect Rights to Payment, the Grantor shall endeavor to collect in the first instance diligently and in the ordinary course of business all amounts due or to become due on or with respect to the Rights to Payment. At the request of the Agent, upon and after the occurrence of any Event of Default or Insolvency Default, all remittances received by the Grantor shall be held in trust for the Agent and, in accordance with the Agent's instructions, remitted to the Agent or deposited to an account with the Agent in the form received (with any necessary endorsements or instruments of assignment or transfer).

SECTION 7 Authorization: Agent Appointed Attorney-in-Fact. The Agent shall have the right to, in the name of the Grantor, or in the name of the Agent or otherwise, without notice to or assent by the Grantor, and the Grantor hereby constitutes and appoints the Agent (and any of the Agent's officers, employees or agents designated by the Agent) as the Grantor's true and lawful attorney-in-fact, with full power and authority to:

(i) following prior notice to the Grantor (which shall not be required at any time an Insolvency Default or Event of Default shall exist) sign any of the Financing Statements which must be executed or filed to perfect or continue perfected, maintain the priority of or provide notice of the Agent's security interest in the Collateral and file any such Financing Statements by electronic means with or without a signature as authorized or required by applicable law or filing procedures;

(ii) take possession of and endorse any notes, acceptances, checks, drafts, money orders or other forms of payment or security and collect any Proceeds of any Collateral;

(iii) sign and endorse any invoice or bill of lading relating to any of the Collateral, warehouse or storage receipts, drafts against customers or other obligors, assignments, notices of assignment, verifications and notices to customers or other obligors;

(iv) notify the Postal Service authorities to change the address for delivery of mail addressed to the Grantor to such address as the Agent may designate and, without limiting the generality of the foregoing, establish with any Person lockbox or similar arrangements for the payment of the Rights to Payment;

(v) receive, open and dispose of all mail addressed to the Grantor;

(vi) send requests for verification of Rights to Payment to the customers or other obligors of the Grantor;

(vii) contact, or direct the Grantor to contact, all account debtors and other obligors on the Rights to Payment and instruct such account debtors and other obligors to make all payments directly to the Agent;

(viii) assert, adjust, sue for, compromise or release any claims under any policies of insurance;

(ix) exercise dominion and control over, and refuse to permit further withdrawals from, the Deposit Accounts;

(x) notify each Person maintaining lockbox or similar arrangements for the payment of the Rights to Payment to remit all amounts representing collections on the Rights to Payment directly to the Agent;

(xi) ask, demand, collect, receive and give acquittances and receipts for any and all Rights to Payment, enforce payment or any other rights in respect of the Rights to Payment and other Collateral, grant consents, agree to any amendments, modifications or waivers of the agreements and documents governing the Rights to Payment and other Collateral, and otherwise file any claims, take any action or institute, defend, settle or adjust any actions, suits or proceedings with respect to the Collateral, as the Agent may deem necessary or desirable to maintain, preserve and protect the Collateral, to collect the Collateral or to enforce the rights of the Agent with respect to the Collateral;

(xii) execute any and all applications, documents, papers and instruments necessary for the Agent to use the Intellectual Property Collateral and grant or issue any exclusive or non-exclusive license or sublicense with respect to any Intellectual Property Collateral;

(xiii) execute any and all endorsements, assignments or other documents and instruments necessary to sell, lease, assign, convey or otherwise transfer title in or dispose of the Collateral; and

(xiv) execute any and all such other documents and instruments, and do any and all acts and things for and on behalf of the Grantor, which the Agent may deem necessary or

advisable to maintain, protect, realize upon and preserve the Collateral and the Agent's security interest therein and to accomplish the purposes of this Agreement.

The Agent agrees that, except upon and after the occurrence of an Event of Default or Insolvency Default, it shall not exercise the power of attorney, or any rights granted to the Agent, pursuant to clauses (ii) through (xiv). The foregoing power of attorney is coupled with an interest and irrevocable so long as any Bank has any Commitment or any Letter of Credit remains outstanding or any Swap Contract shall be in effect or the Liabilities have not been paid indefeasibly in cash and performed in full. The Grantor hereby ratifies, to the extent permitted by law, all that the Agent shall lawfully and in good faith do or cause to be done by virtue of and in compliance with this Section 7.

SECTION 8 Agent Performance of Grantor Obligations. The Agent may, but shall be under no obligation to, perform or pay any obligation which the Grantor has agreed to perform or pay under or in connection with this Agreement, and the Grantor shall reimburse the Agent on demand for any amounts paid by the Agent pursuant to this Section 8.

SECTION 9 Agent's Duties. Notwithstanding any provision contained in this Agreement, the Agent shall have no duty to exercise any of the rights, privileges or powers afforded to it and shall not be responsible to the Grantor or any other Person for any failure to do so or delay in doing so. Beyond the exercise of reasonable care to assure the safe custody of Collateral in the Agent's possession and the accounting for moneys actually received by the Agent hereunder, the Agent shall have no duty or liability to exercise or preserve any rights, privileges or powers pertaining to the Collateral.

SECTION 10 Remedies. (a) Upon the occurrence of any Event of Default, the Agent shall have, in addition to all other rights and remedies granted to it in this Agreement, the Credit Agreement or any other Loan Document, all rights and remedies of a secured party under the UCC and other applicable laws. Without limiting the generality of the foregoing, the Grantor agrees that the Agent may:

(i) peaceably and without notice enter any premises of the Grantor, take possession of any the Collateral, remove or dispose of all or part of the Collateral on any premises or elsewhere, or, in the case of Equipment, render it nonfunctional, and otherwise collect, receive, appropriate and realize upon all or any part of the Collateral, and demand, give receipt for, settle, renew, extend, exchange, compromise, adjust, or sue for all or any part of the Collateral, as the Agent may determine;

(ii) require the Grantor to assemble all or any part of the Collateral and make it available to the Agent at any place and time reasonably designated by the Agent;

(iii) use or transfer any of the Grantor's rights and interests in any Intellectual Property Collateral, by license, by sublicense (to the extent permitted by an applicable license) or otherwise, on such conditions and in such manner as the Agent may determine;

(iv) secure the appointment of a receiver of the Collateral or any part thereof to the extent and in the manner provided by applicable law;

(v) withdraw (or cause to be withdrawn) any and all funds from Deposit Accounts; and

(vi) sell, resell, lease, use, assign, transfer or otherwise dispose of any or all of the Collateral in its then condition or following any commercially reasonable preparation or processing (utilizing in connection therewith any of the Grantor's assets, without charge or liability to the Agent therefor) at public or private sale, by one or more contracts, in one or more parcels, at the same or different times, for cash or credit, or for future delivery without assumption of any credit risk, all as the Agent deems advisable; provided, however, that the Grantor shall be credited with the net proceeds of sale only when such proceeds are finally collected by the Agent. The Agent shall have the right upon any such public sale, and, to the extent permitted by law, upon any such private sale, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption, which right or equity of redemption the Grantor hereby releases, to the extent permitted by law. The Grantor hereby agrees that the sending of notice by ordinary mail, postage prepaid, to the address of the Grantor set forth in the Credit Agreement, of the place and time of any public sale or of the time after which any private sale or other intended disposition is to be made, shall be deemed reasonable notice thereof if such notice is sent ten days prior to the date of such sale or other disposition or the date on or after which such sale or other disposition may occur, provided that the Agent may provide the Grantor shorter notice or no notice, to the extent permitted by the UCC or other applicable law.

(b) License. For the purpose of enabling the Agent to exercise its rights and remedies under this Section 10 or otherwise in connection with this Agreement, the Grantor hereby grants to the Agent an irrevocable, non-exclusive and assignable license (exercisable without payment or royalty or other compensation to the Grantor) to use, license or sublicense any Intellectual Property Collateral.

(c) Proceeds Account. To the extent that any of the Liabilities may be contingent, unmatured or unliquidated (including with respect to undrawn amounts under any Letter of Credit or contingent amounts due under any Swap Contract) at such time as there may exist an Event of Default or Insolvency Default, the Agent may, at its election, (i) retain the proceeds of any sale, collection, disposition or other realization upon the Collateral (or any portion thereof) in a special purpose non-interest-bearing restricted deposit account (the "Proceeds Account") created and maintained by the Agent for such purpose (which shall constitute a Deposit Account included within the Collateral hereunder) until such time as the Agent may elect to apply such proceeds to the Liabilities, and the Grantor agrees that such retention of such proceeds by the Agent shall not be deemed strict foreclosure with respect thereto; (ii) in any manner elected by the Agent, estimate the liquidated amount of any such contingent, unmatured or unliquidated claims and apply the proceeds of the Collateral against such amount; or (iii) otherwise proceed in any manner permitted by applicable law. The Grantor agrees that the Proceeds Account shall be a blocked account and that upon the irrevocable deposit of funds into the Proceeds Account, the Grantor shall not have any right of withdrawal with respect to such funds. Accordingly, the Grantor irrevocably waives until the termination of the security interests granted under this Agreement in accordance with Section 25 hereof any and all rights to such fund and the right to demand or request the withdrawal of the same.

(d) Application of Proceeds. Subject to subsection (c) immediately above, the cash proceeds actually received from the sale or other disposition or collection of Collateral, and

any other amounts received in respect of the Collateral the application of which is not otherwise provided for herein, shall be applied (after payment of any amounts payable to the Agent pursuant to Sections 8 and 15 hereof in whole or in part by the Agent for the benefit of the Lender Parties against all or any part of the Liabilities) in the following order: (i) first, to any reasonable fees, costs, or other expenses due under the Loan Documents; (ii) second, to any interest (including interest due under Section 3.1(c) of the Credit Agreement and any default interest under any Swap Contract); (iii) third, to any principal due under the Loan Documents; (iv) fourth, to any and all other Liabilities (including Secured Swap Obligations). Any surplus thereof which exists after payment and performance in full of the Liabilities shall be promptly paid over to the Grantor or otherwise disposed of in accordance with the UCC or other applicable law. The Grantor shall remain liable to the Agent for any deficiency which exists after any sale or other disposition or collection of Collateral.

SECTION 11 Certain Waivers. The Grantor waives, to the fullest extent permitted by law, (i) any right of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling of the Collateral or other collateral or security for the Liabilities; (ii) any right to require the Agent (A) to proceed against any Person, (B) to exhaust any other collateral or security for any of the Liabilities, (C) to pursue any remedy in the Agent's power, or (D) to make or give any presentments, demands for performance, notices of nonperformance, protests, notices of protests or notices of dishonor in connection with any of the Collateral; and (iii) all claims, damages, and demands against the Agent arising out of the repossession, retention, sale or application of the proceeds of any sale of the Collateral.

SECTION 12 Reserved.

SECTION 13 Notices. All notices or other communications hereunder shall be given in the manner and to the addresses specified in the Credit Agreement (except that notices to the Grantor shall be given c/o Allied pursuant to the provisions of the Credit Agreement applicable to notices to Allied). All such notices and other communications shall be effective (i) if delivered by hand or pre-paid courier service, when delivered; (ii) if sent by mail, upon the earlier of the date of receipt or five Business Days after deposit in the mail, first class, postage prepaid; (iii) if sent by telex, upon receipt by the sender of an appropriate answerback; and (iv) if sent by facsimile transmission, when sent.

SECTION 14 No Waiver: Cumulative Remedies. No failure on the part of the Agent to exercise, and no delay in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights and remedies under this Agreement are cumulative and not exclusive of any rights, remedies, powers and privileges that may otherwise be available to the Agent.

SECTION 15 Costs and Expenses: Indemnification: Other Charges. Costs and Expenses. The Grantor agrees to pay on demand:

(i) the reasonable out-of-pocket costs and expenses of the Agent and any of its Affiliates, and the Agent's reasonable Attorney Costs, in connection with the negotiation,

preparation, execution, delivery and administration of this Agreement, and any amendments, modifications or waivers of the terms thereof, and the custody of the Collateral;

(ii) all audit, consulting, search, recording, filing and similar costs, fees and expenses incurred or sustained by the Agent or any of its Affiliates in connection with this Agreement or the Collateral, provided that as long as no Event of Default or Insolvency Default exists, the Grantor shall not be obligated to pay for more than one such audit in any 12-month period; and

(iii) all reasonable costs and expenses of the Agent and its Affiliates, including Attorney Costs, in connection with the enforcement or attempted enforcement of, and preservation of any rights or interests under, this Agreement, including in any out-of-court workout or other refinancing or restructuring or in any Insolvency Proceeding, and the protection, sale or collection of, or other realization upon, any of the Collateral, including all expenses of taking, collecting, holding, sorting, handling, preparing for sale, selling, or the like, and other such expenses of sales and collections of Collateral, and any and all losses, costs and expenses sustained by the Agent as a result of any failure by the Grantor to perform or observe its obligations contained herein.

(a) Indemnification. The Grantor hereby jointly and severally agrees to indemnify the Agent, the Lender Parties, any Affiliate of any of them, and their respective directors, officers, employees, agents, counsel and other advisors (each an "Indemnified Person") against, and hold each of them harmless from, any and all liabilities, obligations, losses, claims, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever, including the reasonable fees and disbursements of counsel to an Indemnified Person (including Attorney Costs), which may be imposed on, incurred by, or asserted against any Indemnified Person, in any way relating to or arising out of this Agreement or the transactions contemplated hereby or any action taken or omitted to be taken by it hereunder (the "Indemnified Liabilities"); provided that the Grantor shall not be liable to any Indemnified Person for any portion of such Indemnified Liabilities to the extent they are found by a final decision of a court of competent jurisdiction to have resulted from such Indemnified Person's gross negligence or willful misconduct. If and to the extent that the foregoing indemnification is for any reason held unenforceable, the Grantor agrees to make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities which is permissible under applicable law.

(b) Other Charges. The Grantor agrees to indemnify the Agent against and hold it harmless from any and all present and future stamp, transfer, documentary and other such taxes, levies, fees, assessments and other charges made by any jurisdiction by reason of the execution, delivery, performance and enforcement of this Agreement.

(c) Interest. Any amounts payable to the Agent under this Section 15 or otherwise under this Agreement if not paid upon demand shall bear interest from the date of such demand until paid in full, at the rate of interest set forth in Section 3.1(c) of the Credit Agreement (*i.e.*, the Eurodollar Rate (Reserve Adjusted) or the Alternate Reference Rate, as the case may be, plus the applicable Margin, plus 2% per annum).

(d) Liabilities. The term "Liabilities" as defined in Section 1 hereof shall be deemed to include the Grantor's obligations under this Section 15 and the Grantor's obligations under Section 8.

SECTION 16 Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the Grantor, the Agent and their respective successors and assigns. The Grantor shall not assign its obligations hereunder without the prior written consent of the Agent.

SECTION 17 Governing Law. **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF ILLINOIS, EXCEPT AS REQUIRED BY MANDATORY PROVISIONS OF LAW AND TO THE EXTENT THE VALIDITY OR PERFECTION OF THE SECURITY INTERESTS HEREUNDER, OR THE REMEDIES HEREUNDER, IN RESPECT OF ANY COLLATERAL ARE GOVERNED BY THE LAW OF A JURISDICTION OTHER THAN ILLINOIS, PROVIDED THAT THE AGENT SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.**

SECTION 18 Forum Selection and Consent to Jurisdiction. **ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF ILLINOIS OR OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF ILLINOIS, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, THE GRANTOR AND THE AGENT CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. THE GRANTOR AND THE AGENT EACH IRREVOCABLY WAIVE ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS AGREEMENT OR ANY DOCUMENT RELATED HERETO. THE GRANTOR AND THE AGENT EACH WAIVE PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH MAY BE MADE BY ANY OTHER MEANS PERMITTED BY ILLINOIS LAW.**

SECTION 19 Waiver of Jury Trial. **THE GRANTOR AND THE AGENT EACH WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY AGENT-RELATED PERSON, PARTICIPANT OR ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. THE GRANTOR AND THE AGENT EACH AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN**

WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS OR ANY PROVISION HEREOF OR THEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

SECTION 20 Entire Agreement: Amendment. This Agreement, together with Loan Documents, contains the entire agreement of the parties with respect to the subject matter hereof and shall not be amended except by the written agreement of the parties hereto. This Agreement is a "Collateral Document" and a "Loan Document", each as defined in the Credit Agreement.

SECTION 21 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under all applicable laws and regulations. If, however, any provision of this Agreement shall be prohibited by or invalid under any such law or regulation in any jurisdiction, it shall, as to such jurisdiction, be deemed modified to conform to the minimum requirements of such law or regulation, or, if for any reason it is not deemed so modified, it shall be ineffective and invalid only to the extent of such prohibition or invalidity without affecting the remaining provisions of this Agreement, or the validity or effectiveness of such provision in any other jurisdiction.

SECTION 22 Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts and additional Persons may become a Grantor hereunder by executing a counterpart of this Agreement or by executing a supplement hereto, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

SECTION 23 Incorporation of Provisions of the Credit Agreement. To the extent the Credit Agreement contains provisions of general applicability to the Loan Documents, including any such provisions contained in Section 15 thereof, such provisions are incorporated herein by this reference, with the same effect as if the Grantor were Allied.

SECTION 24 No Inconsistent Requirements. The Grantor acknowledges that this Agreement and the other Loan Documents may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms.


SECTION 25 Termination. Upon the release of security interest by the Agent pursuant to Section 2.5 of the Third Amendment, the security interests granted under this Agreement shall terminate and the Agent shall, at the expense of the Grantor, promptly execute and deliver to the Grantor such documents and instruments reasonably requested by the Grantor as shall be necessary to evidence termination of all security interests given by the Grantor to the Agent hereunder; provided, however, that the obligations of the Grantor under Sections 15 and 8 hereof shall survive such termination.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the date first above written.

THE GRANTOR

BUSH HOG, L.L.C., a Delaware limited liability company

By: ALLIED PRODUCTS CORPORATION, a Delaware corporation, its Manager


Name: MARK C. STANDEFER
Title: VICE PRESIDENT

c/o Allied Products Corporation
10 South Riverside Plaza
Chicago, Illinois 60606
Attention: Mark C. Standefer
Title: Vice President, General Counsel
& Secretary

THE AGENT

BANK OF AMERICA, N.A., as Agent

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, as of the date first above written.

THE GRANTOR

BUSH HOG, L.L.C., a Delaware limited liability company

By: ALLIED PRODUCTS CORPORATION, a Delaware corporation, its Manager

Name:

Title:

c/o Allied Products Corporation
10 South Riverside Plaza
Chicago, Illinois 60606
Attention: Mark C. Standefer
Title: Vice President, General Counsel
& Secretary

THE AGENT

BANK OF AMERICA, N.A., as Agent

By: _____

Name:

Title:

David A. Johanson
David A. Johanson
Vice President

Schedule 1
to the Agreement

1. **Locations of Chief Executive Office and Other Locations, Including of Collateral** (§§4(a), 5(e))
 - a. Chief Executive Office and Principal Place of Business:
 - b. Other locations where the Grantor conducts business or Collateral is kept:
2. **Locations of Books Pertaining to Rights to Payment** (§§4(b), 5(d))
3. **Trade Names; Other Corporate, Trade or Fictitious Names, Etc.** (§§4(c), 5(f))
4. **Inventory Stored with Warehousemen or on Leased Premises, Etc.** (§4(h))
5. **Patents, Copyrights, Trademarks, Etc.** (§4(i))
6. **Leased Equipment.** (§4(j)).
7. **Deposit Accounts** (§4(k))

**SCHEDULE 1
TO THE SECURITY AGREEMENT**

Locations of Chief Executive Office and Other Locations, Including Locations of Collateral

A. Chief Executive Office and Principal Place of Business (§ 4(a)):

1. Bush Hog, L.L.C.
222 North LaSalle Street, Suite 1000
Chicago, IL 60601

B. Other Locations, Including Locations of Collateral (§§ 4(a), 5(e)):

1. *Bush Hog, a division of Bush Hog, L.L.C.:*
 - 2501 Griffin Avenue, Selma, AL 36701 Covington County
 - Selfield Industrial Park, Selma, AL 36703 Covington County
 - 408 S. Westover Blvd., Albany, GA 31707 Dougherty County
 - 120 Industrial Park, Waco, TX 76714 McLinnon County
 - 207 W. Moxee Avenue, Moxee, WA 98936 Yakima County
 - 3200 East Central, Fresno, CA 93725 Fresno County
 - 46 Fairgrounds Rd., Stanford, KY 40484 Lincoln County
 - 103 Hodsman Road, Regina, SASK, CANADA S4N 5W5
 - 24 Brian Drive, Burford, ONT, CANADA N0E 1A0
 - 7303 Vine Street Court, Davenport, IA 52806 Scott County
 - 307 Kingston Highway, Opp, AL 36467 Dallas County
2. *Great Bend, a division of Bush Hog, L.L.C.*
 - 705 S. Harrison, Great Bend, KS 67530 Barton County

**SCHEDULE 1
TO THE SECURITY AGREEMENT**

Locations of Books Pertaining to Rights to Payment (§§4(g), 5(d))

1. *Bush Hog, L.L.C.*
 - 10 S. Riverside Plaza, Chicago, IL 60606-3708 or
 - 222 North LaSalle Street, Suite 1000, Chicago, IL 60601
2. *Bush Hog, a division of Bush Hog, L.L.C.*
 - Selfield Industrial Park, Selma, AL 36703
3. *Great Bend, a division of Bush Hog, L.L.C.*
 - 705 S. Harrison, Great Bend, KS 67530

SCHEDULE 1
TO THE SECURITY AGREEMENT

Names under which Grantor Conducts Business (§§ 4(c), 5(f))

A. Names under which Grantor Conducts Business:

1. *Bush Hog, L.L.C.*
2. *Bush Hog, a division of Bush Hog, L.L.C.*
3. *Great Bend, a division of Bush Hog, L.L.C.*

B. Name Changes, Mergers or Asset Purchases within the Past Five (5) Years:

1. Limited Liability Company Interest Purchase and Asset Contribution Agreement dated October 21, 1999 among Allied Products Corporation, Bush Hog Investors, L.L.C. and Bush Hog, L.L.C.

**SCHEDULE 1
TO THE SECURITY AGREEMENT**

Inventory Stored with Warehouseman or on Leased Premises (§4(h))

Inventory is stored at the following leased premises:

- 408 S. Westover Blvd., Albany, GA 31707
- 120 Industrial Park, Waco, TX 76714
- 207 W. Moxee Avenue, Moxee, WA 98936
- 3200 East Central, Fresno, CA 93725
- 46 Fairgrounds Rd., Stanford, KY 40484
- 103 Hodsman Road, Regina, SASK, CANADA S4N 5W5
- 24 Brian Drive, Burford, ONT, CANADA N0E 1A0
- 7303 Vine Street Court, Davenport, IA 52806
- 307 Kingston Highway, Opp, AL 36467

**SCHEDULE 1
TO THE SECURITY AGREEMENT**

Intellectual Property (§4(i))

UNITED STATES PATENTS

No. 4,554,978	Quick Attach Tractor Mounting Assembly for Agricultural Dozer and Loader Implement
No. 4,865,132	Tillage Implement Having Independent Depth Control
No. 5,291,724	Reel Assembly for Mower
No. 5,355,971	Drivetrain and Load Bearing Swivel Hitch Assembly and Combine Incorporating Same
No. 5,477,666	Reel Assembly for Mower
No. 5,531,283	Drivetrain and Load Bearing Swivel Hitch Assembly and Combine Incorporating Same
No. 5,450,714	Rotary Cutter with Counterrotation Gearbox
No. 5,536,032	Implement and Hitch
No. 5,626,007	Rotary Cutter With Reversible Counterrotation Gearbox
No. 5,669,213	Counterrotation Mulching Mower
No. 5,685,689	Quick Attachment System for Front End Loader
No. 5,809,765	Counterrotation Mulching Mower and Blade Assembly
No. 4,524,837	Improved Soil Conditioning & Seed Bed Preparing Aparatus

NON-UNITED STATES PATENTS

Canada No. 1,160,719	Rotary Mower Having Ground Supported Frames
Mexico No. 189,522	Rotary Mower With Counterrotation Gearbox
Canada No. 1,171,737	Rubber Spring for Furrow Opener
New Zealand No. 202,610	Rubber Spring for Furrow Opener
United Kingdom No. 2,119,615	Rubber Spring for Furrow Opener

NON-UNITED STATES PATENT APPLICATIONS

Canada No. 2,159,662	Rotary Cutter With Counterrotation Gearbox
Canada No. 2,169,395	Implement and Hitch
Canada No. 2,188,491	Counterrotation Mulching Mower
Canada No. 2,232,127	Counterrotation Mulching Mower and Blade Assembly
Canada No. 2,233,926	Multi-Deck Mower and Drive System
Mexico No. 945,628	Drivetrain and Load Bearing Swivel Hitch Assembly and Combine

UNITED STATES TRADEMARKS

BUSH HOG	Reg. No. 595,490	Registered September 21, 1954
BUSH HOG	Reg. No. 1,040,858	Registered June 8, 1976
Wild Boar Logo	Reg. No. 1,045,291	Registered August 3, 1976
RO-T'LL	Reg. No. 1,466,978	Registered December 1, 1987
TURF HOG	Reg. No. 1,524,174	Registered February 14, 1989
ROW TOPPER	Reg. No. 1,774,935	Registered June 8, 1993
THE GB LINE	Reg. No. 1,810,470	Registered December 14, 1993
PERMA-LEVEL	Reg. No. 2,059,763	Registered May 6, 1997
ZERO TURN	Reg. No. 2,182,592	Registered August 18, 1998
WE MAKE YOU LOOK YOUR BEST	Reg. No. 2,151,327	Registered April 14, 1998
RIP 'N' HILL	Reg No. 1,130,234	Registered February 5, 1980
LILLISTON	Reg. No. 1,310,794	Registered May 25, 1984

UNITED STATES TRADEMARK APPLICATIONS

MULCH PRO	Serial No. 75/364,340	Filed September 29, 1997
BUSH HOG and Wild Boar Logo	Serial No. 75/370,288	Filed October 8, 1997
BUSH HOG with Wild Boar Logo	Serial No. 75/498,599	Filed June 9, 1998
BUSH HOG and Wild Boar Logo	Serial No. 75/498,624	Filed June 9, 1998

NON-UNITED STATES TRADEMARKS

Wild Boar Logo	Mexico Reg. No. 534,634	Registered October 28, 1996
BUSH HOG	Mexico Reg. No. 564,552	Registered November 26, 1997
THE GB LINE & Design	Canadian Reg. No.	Renewed September 18, 1995

UNREGISTERED TRADEMARKS AND TRADE NAMES

- | | |
|--|---|
| 1. ALLIED PRODUCTS | 6. BUSH HOG |
| 2. LEGEND | 7. GREAT BEND |
| 3. SQUEALER | 8. THE GREAT BEND LINE |
| 4. TLC | 9. TILLAGER |
| 5. WE PUT SUPPORT LINE EQUIPMENT FIRST | 10. RAZORBACK (Allied makes no representation or warranty regarding any ownership interest in this tradename) |

INTELLECTUAL PROPERTY LICENSES

- 1 License Contract of March 4, 1993 with Kuhn S. A. under Kuhn S.A. U.S. Patents No. 4 365,462, No. RE 34,417, No. 4,811,553 and No. 4,947,629 regarding certain rotary disc mowers.
- 2 October 1995 License Agreement with Powell Manufacturing Co., Inc. regarding Allied RO-TILL intellectual property concerning minimum tillage equipment.
- 3 License Agreement dated April 20, 1990 with J.I. Case Company regarding a Quick Attach Loader Bucket.

**SCHEDULE 1
TO THE SECURITY AGREEMENT**

Leased Equipment (§4(j))

1. Great Bend leases 11 self-dumping hoppers pursuant to that certain Agreement by and between McKinnis Iron & Metal, Inc. and Great Bend Manufacturing Co., Inc., dated September 1, 1994.
2. Great Bend leases an office mailing system pursuant to that certain Lease by and between Pitney Bowes Credit Corporation and Great Bend Manufacturing Co., Inc. dated January 24, 1997.
3. Great Bend leases an office mailing system pursuant to that certain UPS Online Professional Support Equipment Agreement by and between United Parcel Service General Services Co. and Great Bend Mfg., as amended.
4. Great Bend licenses software pursuant to that certain Software License Agreement between UPS and Great Bend (with amendment) dated August 13, 1998.
5. Bush Hog leases software pursuant to that certain Master Lease Agreement between Allied Products Corporation and Softech Financial, a Division of Bankers Leasing Association, Inc. dated April 2, 1998.
6. Great Bend leases software pursuant to that certain Master License Agreement between Allied and TriMin Systems.
7. Great Bend leases computer software and equipment pursuant to that certain Term Lease Master Agreement and addendum thereto, between IBM Credit Corporation and Great Bend Mfg. Co. Inc.
8. Great Bend leases an IBM 800 LPM printer Rental Agreement between Great Bend Manufacturing Division of Allied Products and Dimensional Data, Inc. dated May 1, 1998.
9. Bush Hog leases a Highway Master Mobile Communication Hardware Model HM5000 pursuant to that certain Equipment Agreement between Bush Hog and Highway Master Communications dated May 30, 1997.
10. Great Bend leases a 1997 Oldsmobile Aurora pursuant to that certain Vehicle Lease Agreement between Great Bend Manufacturing and Davis-Moore Olds, Inc. dated as of November 8, 1996.

11. Bush Hog leases certain computer equipment (and services) pursuant to that certain Computer Services Agreement by and between American Software USA, Inc. and Bush Hog Division of Allied Products Corporation dated as of September 15, 1995.
12. Bush Hog leases certain computer software pursuant to that certain Master Software License and Service Agreement between Bush Hog Division of Allied Products Corporation and Structural Dynamics Research Corp.
13. Bush Hog leases certain computer software pursuant to that certain Master Software License and Service Agreement between Bush Hog Division of Allied Products Corporation and Leasetec Corporation, Leasetec Systems Credit Division.
14. Bush Hog leases certain telecommunication equipment pursuant to that certain Service Agreement by and between Bush Hog Division of Allied Products Corporation and UPS Telecommunications, Inc. dated as of June 14, 1996.
15. Bush Hog leases a Canon fax pursuant to that certain Lease Agreement between Bush Hog Corporation and IKON Capital Leasing dated as of February 4, 1997.
16. Bush Hog leases a Canon fax pursuant to that certain Lease Agreement between Bush Hog Corporation and Green Tree Vendor Services Corporation dated as of January 8, 1999.
17. Bush Hog leases copier equipment pursuant to that certain Equipment Lease Agreement between Allied Products Corporation d/b/a Bush Hog Division and General Electric Capital Corporation dated November 11, 1996, as amended.
18. Bush Hog leases copier equipment pursuant to that certain Agreement between Allied Products Corporation d.b.a. Bush Hog Division and Copelco Capital, Inc. dated May 21, 1998.
19. Bush Hog leases copier equipment pursuant to that certain Agreement between Allied Products Corporation d.b.a. Bush Hog Division and Savin Credit Corporation dated August 8, 1997.
20. Bush leases copier equipment pursuant to that certain Plain Language Equipment Lease between Allied Products Corporation d.b.a. Bush Hog Division and Savin Credit Corporation dated June 1, 1999.
21. Bush Hog leases copier equipment pursuant to that certain Plain Language Equipment Lease between Allied Products Corporation d.b.a. Bush Hog Division and Savin Credit Corporation dated August 3, 1999.
22. Bush Hog leases two Grove model SM2632E scissor lifts pursuant to that certain Equipment Lease between Bush Hog, a Division of Allied Products Corporation and The CIT/Equipment Financing, Inc. dated as of March 9, 1999.

23. Bush Hog leases one New Hyster S50XM forklift pursuant to that certain Equipment Lease between Bush Hog, a Division of Allied Products Corporation and The CIT/Equipment Financing, Inc. dated as of February 23, 1999.
24. Bush Hog leases one New Yale forklift pursuant to that certain Equipment Lease Agreement between Bush Hog Division of Allied Products Corp. and Yale Carolinas, Inc. dated September 12, 1994.
25. Bush Hog leases a lift truck pursuant to that certain Lease Agreement and that certain Equipment Lease Schedule between Bush Hog Corporation and First Commerce Leasing dated December 7, 1994 and July 25, 1995, respectively.
26. Bush Hog leases a lift truck pursuant to that certain Lease Agreement and that certain Equipment Lease Schedule between Bush Hog Corporation and First Commerce Leasing dated December 7, 1994 and July 25, 1995, respectively.
27. Bush Hog leases a lift truck pursuant to that certain Lease Agreement and that certain Equipment Lease Schedule between Bush Hog Corporation and First Commerce Leasing dated December 7, 1994 and July 25, 1995, respectively.
28. Bush Hog leases three (3) Raymond Lift Trucks pursuant to that certain Lease Agreement and that certain Equipment Lease Schedule between Bush Hog Corporation and First Commerce Leasing dated December 7, 1994 and April 21, 1995, respectively.
29. Bush Hog leases four (4) Raymond Narrow Aisle Lift Trucks pursuant to that certain Lease Agreement and that certain Equipment Lease Schedule between Bush Hog Corporation and First Commerce Leasing dated December 7, 1994 and April 21, 1995, respectively.
30. Bush Hog leases a Hyster model N45XMR lift truck pursuant to that certain Retail Installment Contract between Bush Hog Corporation and Hyster Credit Co. dated May 21, 1996, as secured by that certain Form UCC-1 showing Hyster Credit Co. as Secured Party.
31. Bush Hog leases a Hyster model N45XMR lift truck pursuant to that certain Retail Installment Contract between Bush Hog Corporation and Hyster Credit Co. dated May 21, 1996, as secured by that certain Form UCC-1 showing Hyster Credit Co. as Secured Party.
32. Bush Hog leases a Prime Mover Model OE15C and related equipment pursuant to that certain Equity Lease Plan between Big River Equipment Co., Inc. and Bush Hog, Division of Allied Products Corporation dated June 12, 1995.
33. Bush Hog leases three (3) Yale Forklifts (Model GLPO5ORF) pursuant to that certain Lease Agreement and that certain Equipment Lease Schedule between Bush Hog Corporation and First Commerce Leasing dated December 7, 1994 and May 9, 1995, respectively.

34. Bush Hog leases five Volvo tractors pursuant to that certain Master Lease Agreement between Allied Products Corporation and General Electric Capital Corporation dated as of June 22, 1993, as amended.
35. Bush Hog leases two Model 9200SBA 6X4 International trucks pursuant to that certain Master Lease Agreement between Allied Products Corporation and General Electric Capital Corporation dated as of June 22, 1993, as amended.
36. Bush Hog leases 11 Volvo tractors pursuant to that certain Master Lease Agreement between Allied Products Corporation and The CIT Group dated as of June 5, 1998, as amended.
37. Bush Hog leases five Volvo tractors pursuant to that certain Master Lease Agreement between Allied Products Corporation and The CIT Group dated as of June 5, 1998, as amended.
38. Bush Hog leases 17 Freightliner Tractor/Trucks pursuant to that certain Master Lease Agreement between Allied Products Corporation and General Electric Capital Corporation dated as of June 22, 1993, as amended.
39. Bush Hog leases a Highlight Revolver Series R-70 and a Highlight Stretch Wrapper pursuant to that certain Lease between Bush Hog and Leasetec Corporation, Leasetec Systems Credit Division dated as of October 20, 1998.
40. Great Bend leases certain welding equipment pursuant to that certain Facility Lease by and between Brown Welding Supply, L.L.C. and Great Bend Manufacturing Co., Inc. dated as of May 5, 1998.
41. Great Bend leases certain welding equipment pursuant to that certain Facility Lease by and between Brown Welding Supply, L.L.C. and Great Bend Manufacturing Co., Inc. dated as of July 29, 1998.
42. Great Bend leases certain hydraulic hose coupling equipment pursuant to that certain Hydraulic Hose Coupling Agreement by and between Gates Rubber and Great Bend Manufacturing Co., Inc. dated as of October 1, 1992.
43. Bush Hog leases six (6) Freightliner trucks and two (2) white GMC trucks pursuant to that certain Lease Agreement between Bush Hog and Transport Maintenance, Inc.
44. Bush Hog leases one (1) Marathon Compactor and Container pursuant to that certain Service Agreement by and between Bush Hog and Waste Away, Inc. dated April 9, 1990.
45. Bush Hog leases one (1) Marathon Compactor and Container pursuant to that certain Service Agreement by and between Bush Hog and Waste Away, Inc. dated April 9, 1990.

46. Consent to assign certain of the leased personal property is required, as set forth on Schedule 12.120(c).

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C-1199 3326626-1 025605 0121

TRADEMARK
REEL: 001997 FRAME: 0783

SCHEDULE 1
TO THE SECURITY AGREEMENT

Deposit Accounts (§4(j))

None.

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RECORDED: 12/07/1999

TRADEMARK
REEL: 001997 FRAME: 0784